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ABSTRACT

Based on the premise that international events have brought about changes in the way the world conducts its financial business and that American negotiators often have difficulty in this new economic arena because they fail to understand important cultural differences, this paper seeks to identify cultural differences which might have an impact on the negotiation context. The paper discusses four of the most common problems that plague Americans when they attempt to negotiate with people from other countries: cultural variations concerning (1) rules for conducting business; (2) the selection of negotiators; (3) methods of decision making; and (4) the perception of time. Cultures included in the discussion are Canadian Anglophones and Francophones, Mexicans, Brazilians, British, French, Germans, Iranians, Saudis, Nigerians, Chinese, Japanese, Koreans, and Communists (Soviet Union and East Germany). Twenty-four references are attached. (SR)

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Cultural Variations in Organizational Negotiation Styles

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Abstract

As American cooperations deal increasingly with foreign firms, it becomes apparent that sensitivity of cultural variations is imperative in achieving successful business transactions. This paper seeks to identify cultural differences as they might impact the negotiation context. Cultures included in this analysis are: the Canadian Anglophones and Francophones, Mexicans, Brazilians, British, French, Germans, Iranians, Saudis, Nigerians, Chinese, Japanese, Koreans, and Communists (Soviet Union and East Germany). The analysis is broken down into the following content categories: (a) how they generally conduct business (atmosphere, depth and breadth, communication style, ethics code); (b) personnel selected to engage in negotiations; (c) their decision making (problem-solving process, organizational structure); and (d) their use of time.

Human beings draw close to one another by their common nature, but habits and customs keep them apart.

Confucian saying

Introduction

As we approach the 1990s it seems hardly necessary to document the truth of Marshall McLuhan's earlier prophecy. For with or without our blessing the "global village" is now a reality. Nowhere is this international interdependence more evident than in the business arena. From a Toyota plant in Kentucky to a U.S. trade deficit that is now measured in hundreds of billions of dollars, the foreign influence on "doing business" is all around us. Newspapers and magazines abound with stories detailing how, if the United States is to survive, it must learn to adapt to an economic challenge that goes well beyond its own boundaries. Earlier calls to engage in a financial battle with Japan have now been replaced with concerns that are far more universal. For example, U.S. News & World Report warns that the 12-nation European Economic Community (EEC) "will make Europe a world-class power" ("Economic Outlook," 1988, p. 55). And from the other end of the continent comes news that the six countries of the Association of Southeast Asian Nations (ASEAN) will soon become a major source of influence in the global marketplace.

Adapting to this new marketplace has been difficult for the United States. While talk concerning the Pacific Rim, the

"24-hour stock market," and the need for joint ventures can be heard in nearly every corporate office, the facts seem to tell a story of a country that was not prepared to share the rewards of economic power.

It has been hard for most Americans to accept what has happened to their country since World War II. When the war ended most of the world was decimated. Not only were financial institutions in disarray, but most countries had to fight the war at their front door. Hence, buildings, including banks, were destroyed. Such was not the case with the United States. We emerged from the war as the only super power. Economically, we were in control. We set the tempo everywhere. Back in the early 50s America monopolized high tech and made over 80 percent of the world's automobiles (we now make 24 percent) and most of the world's television sets (there is now only one American company manufacturing television sets). Then, about five percent of America's industries faced foreign competition (Zuckerman, 1988). Even into the 1960s we were the world's largest exporter of manufactured goods. We represented only five percent of the world's population, yet ruled over a vast economic empire.

What has transpired throughout the world in the last 20 years is now quite manifest. It is as if the story of The Mouse That Roared had become a reality. For whether we like it or not, it is now a fact of life that the United States must share economic

dominance with Japan, West Germany, Great Britain, the Netherlands, Korea, Canada, and a long list of other countries that also compete for a portion of the world's economic bounty. Adjusting to this fact of life has been agonizing and painful. Like all cultures, our deep sense of ethnocentrism has kept us, until recently, from admitting to the economic revolution that was unfolding before us. As Zuckerman (1988) noted, "Americans had been lulled by an oratory of blind optimism, as if God were an American" (p. 68).

Most American businesses have now seemed to accept, even if somewhat reluctantly, the axiom that to persevere they must operate within this international stadium. This means having to negotiate with cultures other than their own. Adapting to this economic truism has been almost as hard for Americans to accept as was the shift in economic power. Our inability to fashion a negotiation style to reflect the international setting can be traced to America's strong belief in its culture and its way of doing things. It is this criticism of America's international negotiation style that serves as the central focus of this paper. More specifically, it shall be the position of the authors that when carrying on negotiations with other countries Americans tend to be ethnocentric, and apply American negotiation techniques to cultures where these skills are apt to be inappropriate and ineffective.

There are many differences in the way international businesses conduct their negotiation sessions. We have selected four of the most common problems that plague Americans when they attempt to negotiate with other countries. These problems can best be summarized as cultural variations concerning (1) rules for conducting business, (2) the selection of negotiators, (3) methods of decision making, and (4) the perception of time.

Cultural Variations in Conducting Business

All cultures explicitly and implicitly instruct their members as to the procedural rules that should be followed in both their public and private affairs. From greetings to appropriate dress, members of a culture "know" the rules for that culture. Most rules for behavior are learned at a low awareness level and hence get acted out with a regularity that hides them even from the user. There are not only general rules that are unique to a culture, but there are also a series of specific cultural codes that help define a particular context. It is our contention that not knowing the rules that apply to the business environment can hinder the international negotiation process. We will now look at some cross-cultural rules for doing business that are often misunderstood by Americans.

Negotiation Atmosphere

American negotiators assume an attitude of "economic gain" in the negotiation process. They expect others to display what they

conceive as "American professionalism," including an aggressive approach toward that which is to be negotiated (Scott, 1981). As they tend to be uninterested in establishing long-term relationships in this context, they view socializing as unimportant. Rather, the American norm is to conduct business in an efficient manner; while compromises may be part of the outcome, prestige is achieved in the eyes of American negotiators in their ability to maneuver a debate. American negotiators expect to be treated equally, whether they are playing the buyer or seller role (Graham, 1987); additionally, they are likely to presume trust of their counterparts at first (i.e., innocent before guilty).

The general business approach utilized by their counterparts to the south is quite different. Since Brazilians cannot rely on a legal system "to iron things out," they focus on establishing and maintaining personal relationships in business transactions (Graham & Herberger, 1983). For Mexicans, the public forum is not considered the appropriate place to consumate negotiations. Likewise, formal negotiations are not viewed by Mexicans as a time for objective analysis and pragmatic matters. Negotiations between Americans and Mexicans often feature overtones of resentment and sensitivity to past oppressive actions of the United States toward Mexico.

Americans encounter some negotiation style differences among its neighbors to the north, Anglophone Canadians and Francophone

Canadians. The former convey greater respect toward the buyer; he occupies a higher level negotiating position (Graham, 1987). Business negotiations involving the Anglophone Canadians are primarily determined by the amount of information exchanged (representational strategy) (Adler, Graham, & Gehrke, 1987). In contrast, the Francophone Canadians employ more of an instrumental strategy in their negotiations, with one party trying to persuade the other, rather than simply passing on knowledge (Adler, Graham & Gehrke).

For the Chinese, mutual interests and friendships are important in the negotiation process. Socialization during the contract agreement process is an expectation. Favorable terms are anticipated from friends; the nature of the relationship between the parties involved is critical to the Chinese. Trust is acquired between negotiators through favorable direct experience. Contracts are not considered as binding by the Chinese as the trust between those involved. The Chinese do not generally engage in risk-taking negotiation behaviors. Further, they distrust legalistic activity (Weiss & Stripp, 1985). The Japanese believe that socializing is integral to the negotiation process. They are concerned with establishing long-term business/personal relationships through such transactions. The Japanese view a contract as the beginning of an adaptive process rather than as the end of one. Negotiators from this culture rely on the trust established

between the parties involved and on an implicit understanding (Fisher, 1980). Oftentimes the Japanese wait for their counterparts to lay out a plan initially. They make an effort to avoid unplanned compromises and submission to threats from the other side. They believe that socializing/entertaining is a means to test trust between the parties involved (Weiss & Stripp, 1985).

The French, in contrast to members of some of other cultures, are likely to distrust their counterparts at first. Their negotiations are conducted through formal hospitality. As the French are represented by a heavily bureaucratic government with a history of involvement in international negotiations, they see themselves as more experienced negotiators. In the United Kingdom, the buyer is accorded more respect, greater deference, while the seller is viewed on a lower level in the negotiation (Graham, 1987).

In the Middle East, business transactions are initiated with prenegotiation social graces. Trust and respect must be secured for successful negotiations (Scott, 1981). Members of Middle Eastern cultures like to bargain. Personal relationships are an important part of their negotiations. Hospitality is a first priority in their business transactions (Weiss & Stripp, 1985).

Sincerity and respect are important components in negotiations with Nigerians. They do not feel comfortable with a strong task orientation or a pushy attitude. Personal relationships are

vital to their business transactions; legal sanctions are not considered trustworthy or effective by them (Weiss & Stripp, 1985).

Finally, Communist negotiators rely on highly bureaucratic formats and methods. Protocol, systems, and rules all must be followed in their negotiations (Scott, 1981).

Negotiation Detail/Depth and Breadth

American negotiators assume that many small agreements will be consumated before the final big agreement. They believe that the Japanese neglect to prepare for detailed negotiations (March, 1985). Members of American negotiating teams want "the facts" pertaining to the negotiation only. Americans put considerable emphasis on written agreements or contracts, believing that American integrity is at stake (Fisher, 1980). Negotiators representing the United States tend to focus on substantive types of issues (Weiss & Stripp, 1985). They are concerned with quantity versus quality and in issues that deal with speech and the amount of time involved, rather than details that might be important to their counterparts (Morgan & Harris, 1982). American negotiators expect to receive honest and clear information (Graham & Herberger, 1983).

Their counterparts to the south in Mexico prefer oral agreements but will utilize written agreements that can be changed subsequently (Weiss & Stripp, 1985). In contrast, Communist

negotiators in the Soviet Union and East Germany insist on the use of highly detailed written settlements (Scott, 1981).

The Chinese prefer written agreements that would probably appear general to American negotiators; they leave room for "trust and common sense" (Weiss & Stripp, 1985). The Chinese tend to bargain away details at the negotiation table, preferring to use generalities (Fisher, 1980). The Japanese believe that much detail is comprehended implicitly in negotiation processes, they identify fewer specific issues and are less detail-oriented than their American counterparts (March, 1985). According to March, "The Japanese tend to avoid any appearance of a petty focus on details in negotiations, striving to reach a broad agreement where details are not clearly spelled out" (p. 57). The Japanese rely on general, brief written agreements. They believe that agreed upon "principles" between negotiators is important, not the specifics of agreement. Such principles are designed to "guide" the agreement relationship (Weiss & Stripp, 1985).

Middle Eastern negotiators prefer agreements that are bound by an oral understanding. They believe the written agreement is secondary and only represents the strong bond of the oral obligation (Weiss & Stripp, 1985). According to Weiss and Stripp, Nigerians often employ verbal agreements but British influence has moved them more toward written contracts. Scott (1981) asserts

that the British are generally unprepared for detailed negotiations. In contrast, the French prefer detailed, legally-binding agreements (Fisher, 1980).

Communication Style

According to Scott (1981), Americans tend to convey warmth, sincerity, confidence, and positiveness in their communication. March (1985) suggests that Americans are always ready to engage in bargaining. Soderberg (1985) argues that Americans have a stronger sense of group loyalty than Iranians. Americans tend to bluntly express their ideas, silence being perceived as uncomfortable (Greenwald, 1983).

In the negotiation context, Americans often engage in compromise activity. Negotiators from the United States tend to automatically assume that English will be spoken in the sessions. The use of translators may put the American participants at a disadvantage since the other side is likely to know a fair amount of English and will have more time to contemplate what is taking place during the translation period. American negotiators tend to be more interested in logical arguments than in the people they are dealing with (Graham & Herberger, 1983). According to Moran and Harris (1982), Americans expect give-and-take in negotiations but do not always succeed in this regard. Negotiators from this country may even employ threats, warnings, and continual

pushiness, even if their counterparts are signaling "no" (Graham & Herberger, 1983). Graham (1985) found that if Americans perceive the other negotiating team as deceptive, the deceptive group was not as successful; however, the more honest the negotiators, the more successful they are with Americans. According to Graham, Campbell, and Meissner (1988), Americans employ a negotiating style similar to that of the British, but less silence is utilized and they are more egalitarian. The British interrupt less in their negotiations than their American counterparts, they have a polite style of negotiating. Scott (1981) describes British negotiators as kind, friendly, sociable, agreeable, flexible, and responsive. Graham, Campbell, and Meissner (1988) suggest that the British have an "indistinct" style of negotiating.

The Chinese are suspicious of Western negotiators (Scott, 1981). They do not wish to openly confront conflict and shun any proposal-counter-proposal style of negotiating. The Chinese must not be forced to withdraw from a stand due to a possible loss of face (Scott, 1981). They make concessions slowly. Chinese negotiators refrain from small talk. They do not accept hypothetical examples (Weiss & Stripp, 1985). Competitive strategies yield higher gains for the Chinese (Graham, Kim, Lin, & Robinson, 1988).

The Japanese appear to be easily persuadable because of their seemingly accepting, passive mien. They show little reaction to

their counterparts in negotiation save for nodding. Japanese negotiators take long pauses, appear not to be rushed, expect patience from other participants and no interruptions. The Japanese keep their emotions in check. As Zimmerman (1985) puts it, "their reaction to an angry outburst from a foreigner would be similar to what a Westerner would feel if an executive with whom he was negotiating a business deal were to burst into tears if it fell through" (pp. 57-58).

Simple symbolic expression is sought by the Japanese (Morrison, 1972). According to Yotsukura (1977), the Japanese process ten percent of a message through its verbal or overt expression, the other ninety percent through personal meaning. More than 75 percent of Japanese sentences do not contain subjects (Yotsukura), and, in contrast to the English language, Japanese expression follows a subject-object-verb sequence. The Japanese encourage convert, fragmented expression (Yotsukura). The fact that their language leads to a variety of interpretations through its ambiguity leads to frequent communication failures. Furthermore, Japanese verbal expression is encased in layers of indirectness through such phrases as "I think," "perhaps," "probably" and "maybe" (Ishii, 1985; Okabe, 1983; Yotsukura, 1977).

Japanese negotiators are often regarded as hostile and unfriendly by Westerners. They are slower to make concessions and

they are more likely to repeat their positions and proposals (March, 1985). Their lack of emphasis on bargaining keeps them cooler in temperament. March found that the Japanese and their Western counterparts reacted similarly when frustrations and conflict emerged in negotiation sessions; both sides sought to take time out in order to revise their objectives and strategies.

Silence is part of the Japanese negotiation process (Greenwald, 1983). They are more evasive with their feelings and ideas than their Western counterparts. Harmony is crucial to their negotiations; they desire to achieve smoothness in all their transactions, both business and personal. They may appear standoffish or inscrutable to the other side. They are not impressed with hypothetical reasoning; rather, they seek objective data with obvious conclusions (Fisher, 1980). The Japanese are good, persistent listeners. What is said publicly and what is actually thought, however, may be different. The Japanese engage in restricted eye contact, limited touching, and minimal disruptions (Weiss & Stripp, 1985). The Japanese are most polite as negotiators, their behaviors in this context reflect one of the least aggressive tendencies among cultures, their communication is more frequently positive than expressive of "no's" and commands (Graham, Campbell, & Meissner, 1988). Status is a factor in Japanese negotiations in the same way that it is in their interpersonal relationships.

Koreans tend to employ more interruptions than Japanese and "no" communication. Graham, Campbell, and Meissner (1988) caution that it is a mistake to generalize about Asian cultures.

Northern Europeans (Denmark, Finland, and Sweden) are relatively quiet and speak slowly in negotiation settings; they are easily overwhelmed in the early stages. Open statements are characteristic of their negotiating style. They are accommodating, open and frank during the exploratory phase of negotiations (Scott, 1981). The French insist on using their own language in the negotiation settings and employ frequent "no" communication (Scott, 1981). Said to be the most "difficult" of Europeans, French negotiators are long-winded and rationalize a great deal without bargaining or compromising. They tend to put forth all their information first and establish principles of reasoning first; new information is not easily accepted by them. Their inflexibility may be perceived by the opposition. The French rely on deductive reasoning methods in negotiation (Fisher, 1980). According to Weiss and Stripp (1985), the French relish debate, they welcome and respect dissent. They are confrontational and competitive. To the French negotiation involves a search for well-reasoned arguments.

For Germans strength lies in the bidding stage of negotiation. They do not tend to compromise. German negotiators are generally clear, firm, and assertive in their expression. Once a

bid is put forth, it becomes "sacrosanct" and they are less likely to accept other possibilities (Scott, 1981). The Germans may not ask many questions in the negotiation process but will disclose a great deal; they will frequently interrupt (Graham, Campbell, & Meissner, 1988).

Negotiators from Mediterranean cultures use posture and gestures effectively (Scott, 1981). They are warmer than representatives from other cultures in negotiation settings. Iranians (Persians) display closer personal distance (1 1/2 - 2 feet) than do their American counterparts (2 - 4 feet). They tend to be more animated than Americans. They display a strong sense of individualism (as illustrated by the use of the word "I" during negotiations) (Soderberg, 1985). Nigerians employ a great deal of nonverbal behavior, putting less emphasis on words and exact meanings (Weiss & Stripp, 1985). Indians, in particular, enjoy bargaining or market-type haggling (Scott, 1981). Members of negotiation teams from Communist countries tend to "whittle down" bids offered to them (Scott, 1981).

According to Fisher (1980), "rhetoric and the grand idea are pursued" by Mexican negotiators (p. 20). These negotiators do not see any advantage in frank talk. They may play the weaker side because of the perception that Americans have sympathy for the disadvantaged, the side that needs special consideration. But then again, they are still extremely wary of patronizing

assistance or concessions. Compromise to them threatens dignity in the negotiation process. Mexican negotiators prefer the deductive approach; they start with a general proposal, define the issues, and then conclusions are made with the little detail or evidence used. More emphasis is placed upon contemplation and intuition. Mexicans stand closer than Americans and Japanese; they use more physical contact to show confidence (Fisher, 1980). They make frequent use of hand movements (Weiss & Stripp, 1980).

Brazilian negotiators are very aggressive, use a lot of commands, and employ a high frequency of "no's" and "you's." They do not engage in silence tactics, frequent touching, or facial glazing (Graham, Campbell, & Meissner, 1988). They do not handle silence well. Brazilians may fight each other for the floor. They often appear to be rude and poor listeners to Americans (Graham & Herberger, 1983). Deception is characteristic of Brazilian negotiation strategies (Graham, 1985).

Ethics Codes

According to Fisher (1980) American ethics are often challenged regarding foreign bribery/corruption practices. The Japanese employ "situation ethics" in business. They appear to take different positions in different situations; Americans see this as a lack of personal integrity instead of normal behavior in a group-concensus society. The Japanese have a hard time understanding Christian ethics and principles. They see Americans

rejecting good ideas based on principle (Fisher, 1980). Giving gifts to high executives in Japanese firms is very much appreciated and can enhance ninge kankei (personal relations) in negotiations (Zimmerman, 1985).

In negotiations with members of Mediterranean cultures "lubrication" is expected (i.e., incentives to make the negotiations smoother and more successful); this practice is not seen as bribery (Scott, 1981). In negotiations with Nigerians pay-offs are common (called "dash"). Lockheed had to pay 3.6 million in dash. This "pay-off" can range from 50-100 percent of the total contract; it is officially called a mobilization fee (Weiss & Stripp, 1985).

Cultural Variations in Personnel

Our research and experience has lead us to conclude that Americans also fail to understand the type of person they will be facing at the negotiating table. Like language, person perception is culturally based. While in the United States one might consider a dynamic speaker to be a highly credible source, in Japan such a person is not to be trusted. Because of cultural variations in person perception, status, rank, etc., not all cultures select the same type of individual to attend negotiating sessions. A few cultural differences in personnel will help illustrate this second problem.

Among American negotiators the most vocal member is often seen as the leader; less obvious pursuits may emerge for individal power acquisition (Soderberg, 1985). Younger negotiators (in the 30s or even 20s) are more common among American teams than in other cultures. Women may be included although few hold top level positions (Greenwald, 1983). Technical expertise is a critical concern in the selection of American negotiation representatives. The social background, education, and age of candidates have little to do with their selection as negotiating team members or leaders. Americans believe that relying on social status for such selection is unreasonable. In the international arena, team members from the United States make the assumption that they are world leaders and advisors, solicited or unsolicited (Fisher, 1980).

According to Adler, Graham, and Gehrke (1987) and Campbell, Graham, Jolibert, and Meissner (1988), similarity among members of American negotiating teams has little effect on the outcome of their negotiations. Using a "John Wayne" type of strategy, American negotiators often believe they can go it alone and handle any negotiation situation. This strategy saves money on personnel. Americans pride themselves on having full authority to make decisions (Graham & Herberger, 1983).

The Chinese expect to deal with someone of authority and high status, and they feel slighted if they do not negotiate with such

individuals (Scott, 1981). They generally send large teams who are well-coordinated (Weiss & Stripp, 1985). Women are not usually participants on a Japanese negotiation team. The average age of Japanese business negotiators is the late 30s, with the leader being at least in his 40s (Greenwald, 1983). The leading negotiator for the Japanese may be only marginally competent; age seniority is the most important single criterion (Fisher, 1980). Selection is based on status and knowledge. Middle-level managers often perform tasks undertaken by higher authorities on American teams (Weiss & Stripp, 1985). The Japanese team may have one representative who just listens (Graham & Herberger, 1983). The role of the negotiator (buyer/seller) always decides negotiation outcomes; the buyer is given more leverage (Graham, Kim, Lin, & Robinson, 1988). Among Korean negotiation teams the buyer is accords more respect and occupies a higher negotiating position (Graham, 1987).

French negotiation team members are selected on the basis of their social and professional status (Fisher, 1980). According to Weiss, and Stripp (1985), team selection is based on social, professional, academic, and family ties. Similarity in personality and background among French negotiators is important, and appears to be influential in the negotiation process. Similarity among German negotiators does not seem to be an important factor in their negotiations. While the status or role

of negotiators is crucial among British negotiators, similarity among them has been found to have little effect (Campbell, Graham, Jolibert, & Meissner, 1988).

On Iranian negotiation teams the oldest member is usually the leader and younger members may be ignored. Individual power pursuits may emerge (Soderberg, 1985). On Nigerian teams personal characteristics, image, and educational credentials are important. Age is equated with wisdom. Titles are used extensively and reflect power. They look for the particular credentials of the other party (Weiss & Stripp, 1985). Team members from Saudi Arabia are generally selected on the basis of status and loyalty. The family home is also important. Americans have commented that Saudis like to work alone when negotiating and take credit for accomplishments while passing blame on to others. The first person to enter the room often has the highest rank in their negotiations; titles are used by the Saudis (Weiss & Stripp, 1985). Communist negotiating teams from the Soviet Union and East Germany often have a political representative with them (Scott, 1981).

Personal qualities and connections are often the criteria for selection on Mexican negotiating teams. Group dynamics depend upon the social relationships among team members. Who holds authority on these teams is not always apparent; a subordinate present with a team member (i.e., personal secretary) may indicate

authority. Even personal secretaries to high authorities may be given more respect than an official who does not have palanca (leverage). Authority tends to be inherent in the individual on the team, not in the individual's position (Fisher, 1980).

Cultural Variations in Decision Making

The mental processes, forms of reasoning, and approaches to problem solving prevalent in a community are another major component of culture. Unless community members have had experiences with people from other cultures who follow different patterns of thought, most will assume everyone thinks in much the same manner. But there are vast cultural differences in how people think and make decisions. In the Western view, truth can be discovered if we just apply the correct steps of the scientific method. We believe that if we follow the Aristotelian modes of reasoning all problems can be solved. The Eastern version, best illustrated by Taoist thought, holds that truth, not the individual, is the active agent, and ways of knowing take a variety of forms. Even the simple Western notion of Introduction, Body, and Conclusion is not found in most of the world. In short, cultural variations in decision making represent yet another problem facing American negotiators.

Problem-solving Process

American negotiators view negotiation sessions as problem-solving sessions, even if no real problem exists. Anything is

permitted unless it has been restricted by the state (the company). Americans tend to compartmentalize issues, there is little cross-over; they may view the integration of other issues as unethical. When dealing with Mexico, the objectives of both sides do not always fit because Americans deal with one issue at a time instead of many issues being negotiated together. Americans concentrate on cause and effect, they like to "get-on" with problem solving. They are preoccupied with who makes the decisions on the opposing side, to whom they should be directing their proposals. Americans, being rather self-righteous, see themselves as universal problem-solvers, working in everyone's best interests (Fisher, 1980). Americans expect to make decisions with a proposal that is complete, not one in which details are left out or one that has many different small agreements.

Americans prefer to make decisions through rational thinking and concrete data (Weiss & Stripp, 1985). Using conversational analysis, Glenn, Witmeyer, and Stevenson (1977) found that Americans utilized a factual inductive style of persuasion, they presented facts dealing with the particular dispute under consideration, sought to deal with only the issue at hand and only with the facts about the issue.

The French have no problem with open disagreement. Negotiation is an established art, usually with French negotiators and in French. Decisions are made with self-assurance. The

French debate more than bargain and are less apt than Americans to be flexible for the sake of agreement. They start with a long-range view of their purposes as opposed to the Americans who work with more short-range objectives (Fisher, 1980). The French are generally conservative, safe decision makers. Decisions are centrally made and by top authorities (Weiss & Stripp, 1985). Northern Europeans are quick to spot creative possibilities and to make creative decisions (Scott, 1981).

Middle-Easterners can be described as having an intuitive-affective approach to persuasion. Broad issues that do not appear to be directly related to the issue at hand are brought up; issues are linked together on the basis of whether or not the speaker likes the issues. Personal bias is often exercised (Glenn, Witmeyer, & Stevenson, 1977). Negotiation teams from Saudi Arabia do not make decisions on the basis of empirical reasoning. While subordinates are consulted informally, the leader always makes the final decision. Males from families of high authority will often be delegated decision-making tasks. Otherwise, Saudis tend not to delegate responsibility of decision making and often expect the top man to negotiate with them (Weiss & Stripp, 1985). In Nigeria authority figures make decisions with little input from subordinates, power is not necessarily shared (Weiss & Stripp, 1985).

In the Soviet Union no declaration can be made unless it has been initiated by the state (Fisher, 1980). The Soviets can be described as having an axiomatic-deductive approach to persuasion; they make no mention of specific facts, appeal to accepted principles and comparisons with hypothetical cases (Glenn, Witmeyer, & Stevenson, 1977).

Mexicans believe that authority tends to be inherent in the individual, not in the individual's position. Being a forceful, personal decision maker is important; it forms the cultural basis of authority. According to Fisher (1980), "Holding authority is the objective while delgating it would be giving away one's assets" (p. 30). The Mexicans utilize a centralized decision-making process. Making trade-offs is common for Mexican negotiators, including additional issues that are not part of the business at hand (Fisher, 1980). Mexicans tend to make decisions without a lot of concern for consensus (Weiss & Stripp, 1985). They prefer to do business with high ranking officials (Moran & Harris, 1982).

For the Chinese decision making is more authoritative than consensual; decisions are made by higher authorities without the inclusion of subordinates (Weiss & Stripp, 1985). The Japanese do not believe that an agreement should be reached at any cost (March, 1985). Everyone affected, including shareholders, is included in the decision making; more than just the initial

negotiating group makes the decisions (Greenwald, 1983). The Japanese allow little room for flexibility in their negotiations and they take a long time to make their decisions. The Western concept of decision making is not appropriate to apply to the Japanese; it is more of a consensus-building, direction-taking process where not one person makes the decision. Americans who look for the main Japanese negotiator who will make the decisions will be disappointed. Ideas come from mid-level up, not top-down. Adoption of new policies and preparations for carrying them out go on simultaneously in a group process. The Japanese are slow in producing conclusions, but fast in implementation. The Japanese depend heavily on middle-level expertise; subordinates brief superiors and superiors use their influence to negotiate and make decisions. They stick to a decision once it is made (Fisher, 1980).

According to Graham, Kim, Lin, and Robinson (1988), Koreans use a combination of a problem-solving approach in their negotiations and one where the role of the negotiator is important to the success of the negotiations. The Japanese will often not ask for more than they need although they may offer less than they can eventually offer. Proposal-counter-proposal negotiating with the Japanese is not effective because their teams take so long to make decisions. Japanese negotiators make decisions on the basis of detailed information rather than persuasive arguments.

Informal agreements and then written agreements are reached among all concerned. According to Weiss and Stripp (1985), for the Japanese "to decide is to implement" (p. 30). Top level executives typically only come into the negotiations to sign off the agreement; lower-level management (mid-level) takes care of the actual negotiations and bargaining (Graham & Sano, 1986). As shown in Table 1 below, Graham and Sano (1986) have developed points of contrast in four phases of the negotiation process between the Japanese and Americans.

Phase	Japan	U. S.
1. Non-task sounding	Considerable time and expense devoted to such efforts is the practice in Japan.	Relatively shorter periods are typical.
2. Task-related	This is the most important step - high first offers with long explanations and in-depth clarification.	Information is given briefly and directly. "Fair" first offers are more typical.

Table 1 (Continued)

3. Persuasion	Persuasion is accomplished primarily behind the scenes. Vertical status relations dictate bargaining outcomes.	The most important step: Minds are changed at the negotiation table and aggressive persuasion tactics used.
4. Concessions and agreement	Concessions are made only toward the end of negotiations - a holistic approach to decision making. Progress is difficult to measure for Americans.	Concessions and commitments are made throughout - a sequential approach to decision making.

Table 1. Four Stages of Business Negotiation (Graham & Sano, 1986, p. 59).

Organizational Structure

For Americans the task-related stage is the most important for successful negotiations. This is where the most information is given (Adler, Graham, & Gehrke, 1987). But Americans tend to move toward the persuasion (bargaining) stage too quickly, not spending enough time gathering information. They may be put off

by Brazilians and Chinese who ask for "unreasonable" prices; these cultures are simply more interested in negotiating longer, with prices being offered and rejected gradually. Americans usually approach negotiations sequentially, taking one thing at a time. According to Graham and Herberger (1983), "The final agreement is a sum of the several concessions made on individual issues" (p. 164). The outcomes of marketing negotiations with Americans depend on events at the negotiation table, not the role of the negotiator or prenegotiation socializing (Campbell, Graham, Jolibert, & Meissner, 1988). As is the case for Americans, the task-related stage of negotiations is most important for Anglophone Canadians and leads to successful outcomes (Adler, Graham, & Gehrke, 1987). The French engage in a lateral style of negotiation; the whole deal is covered each step of the way. First comes the outline agreement, then principle agreement, and then headings agreement (Scott, 1981). They come to the negotiations very prepared (Fisher, 1980) as do Germans (Scott, 1981). The Germans identify the shape of the deal quickly and what the issues are (Scott).

The Chinese state their proposition in the beginning and do not enhance it if the opposing side raises doubts (Weiss & Stripp, 1985). The Japanese do not discuss bargaining tactics. Prenegotiations move slowly and cautiously. The Japanese do not openly disagree during formal negotiations; they would consider

this distasteful and embarrassing. They often use mediators during negotiations. They basically take one position throughout the process. Adjustments or modifications can be made once the final agreement is decided upon. American negotiators might see this as devious (Fisher, 1980). A seller may often express regret and apologies before offering a request (Weiss & Stripp, 1985). According to Graham and Herberger (1983), concessions may come only at the end with negotiators from the Far East, such that the entire negotiation procedure is carried out, "settling nothing until the end" (p. 164).

In negotiations with Mexicans, the beginning stage is used for social discourse and gaining trust among participants. This prenegotiation phase is crucial for successful and harmonious negotiations (Weiss & Stripp, 1985). In negotiations with Brazilians, the first stage of the process, non-task sounding (where pleasantries and non-business information is exchanged), may be lengthened if the Brazilians feel that the other side (perhaps American) is impatient; such impatience may lead them to be apprehensive about beginning information seeking that starts the actual business negotiation. Brazilians offer high prices and eventually make concessions (Graham & Herberger, 1983).

Prenegotiation is crucial for successful Middle Eastern negotiations. It is only after respect and trust have been acquired that the hard negotiations will take place. The climate

established and the exploratory phases are crucial (Scott, 1981). In negotiations with Communist countries (the Soviet Union and East Germany), specifications of negotiations are made clear before the discussions begin (Scott, 1981).

Cultural Variations in the Use of Time

It has been frequently argued in the literature that Americans are bound by their time systems (e.g., Hall, 1977). The same can be said about all cultures, for each culture treats time in a way that reflects some of the key characteristics of that particular group of people. Americans, for example, tend to do one thing at a time and follow schedules that stress such attributes as segmentation and promptness. In other parts of the world, time is not seen in linear terms, and the pace of life is much different than that lived in the United States. Adjusting to contrary orientations is another critical issue facing American negotiators. We will now examine some of these diverse perceptions so that we can see them as potential difficulties in the negotiation setting.

American culture dictates the quicker the deal, the better (i.e., time is money) (Greenwald, 1983). Americans are more concerned with the present and future than the past; they are not as concerned with past contracts or meetings. Negotiators from the United States make concessions earlier (the negotiation stage). Americans are interested in the "here and now." Side

effects are not considered; Americans are more short-range, goal-oriented in their negotiation practices (Moran & Harris, 1982).

In contrast, the Chinese have a longer view of time than Americans; they hold longer lead and discussion periods (Weiss & Stripp, 1985). Likewise, the Japanese are not likely to reach an agreement in order to fulfill a time constraint. An agreement will take as long as it takes for them (March, 1985). Japanese negotiations constitute a lengthy process, involving a build-up of trust (Greenwald, 1983). The quality of the product is more important to the Japanese than meeting a deadline (Weiss & Stripp, 1985).

Mexicans accept fate more easily than Americans (Fisher, 1980). For Nigerians the simplest of dealings may take hours. Time is flexible for them. Foreigners who hurry through negotiations with them may be suspected of cheating (Weiss & Strip, 1985). Negotiators from Saudi Arabia are not bound by schedules; they feel Americans overemphasize the value of time (Weiss & Stripp). In the Middle East, there is a sense of timeliness, negotiations are not hurried. Delays and interruptions are common (Scott, 1981). Finally, in France organizations have long-range goals; decisions are made slowly due to a centralized decision-making system. According to Weiss and

Stripp (1985), "Basic concerns about quality of life shape the French attitude toward time" (p. 22).

Conclusions and Recommendations

The foregoing analysis was predicted on two generalizations. First, international events have brought about changes in the way the world now conducts its financial business. Second, American negotiators often have difficulty in this new economic arena because they fail to understand important cultural differences.

Our research and experience has revealed a number of reasons why Americans often overlook the importance of these cultural idiosyncrasies. However, most of the causes are traceable to strong feelings of ethnocentrism that influences how Americans send and receive messages.

What makes ethnocentrism such a powerful and insidious force in communication is that it often arrives in an invisible form (e.g., we only study Western philosophers) and is usually invisible in its manifestations (e.g., we approach problems with a Western orientation). The fact that all cultures demonstrate these same feelings of conscious and unconscious superiority makes ethnocentrism especially difficult to control in the negotiating context.

Four our part, we must develop an awareness of the how often ethnocentrism governs our perceptions and our actions. It is our contention that this outlook must begin before our negotiation

teams confront other cultures and that our universities and colleges must assist in this training. Most critics seem to agree that currently our universities are contributing to ethnocentric behavior instead of reducing it. That is to say, we are training people to do things "the American way" (Graham & Herberger, 1983, p. 161), a way, as we have attempted to argue, that may hinder international negotiations. What we our suggesting is that anyone who ventures into the international marketplace must develop the ideology that begins with the assertion that while people are very much alike, they are also different in ways that might influence the negotiating process.

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